

Gulf Safety Committee Testimony
at Department of Transportation, United States Coast Guard
Maritime Security Public Meeting - New Orleans, LA

January 27, 2003

Hello, my name is Vincent Cottone. I currently Chair the Gulf Safety Committee (GSC) and I am an Environmental Engineer in ChevronTexaco's Deepwater Business Unit. The GSC appreciates this opportunity to provide comment to the U.S. Coast Guard on possible rulemaking concerning maritime security and how it relates to offshore Gulf of Mexico (GOM) oil and gas operations.

The GSC is a civilian run, marine transportation system (MTS) committee that grew out of a series of informal meetings among offshore GOM waterway stakeholders, users and regulators that commenced on October 10, 2001 with the support of the Commander, Eighth Coast Guard District. Membership includes commercial fishing, recreational diving and fishing interests, shipping, offshore supply vessels/towing industry, oil and gas industry, regulatory agencies, and other groups with interest in the Gulf of Mexico. The mission of the Gulf Safety Committee is to provide a forum through which the experience, issues and concerns of all offshore GOM waterway stakeholders, users and regulators can be expressed and to make the Gulf of Mexico a cleaner, safer and a more secure/economically viable region for commercial and recreational use. Comments made on behalf of the GSC are submitted without prejudice to any member's right to have or express different or opposing views.

The GSC was formalized in July 2002 with appointment to and selection of Executive Steering Board members and election of officers. Since then, we have been very active. We have had several general meetings at which the public was invited to participate. We have formed standing subcommittees on security, communications, and fisheries. We have participated in various conferences and forums in an effort to inform others of the GSC's existence and mission.

Our Subcommittees have produced several products designed to implement our mission. Among these are a Voluntary GOM Marine Communications Protocol designed to enhance communications between fisherman and offshore oil and gas platforms. We've also developed a Communications Procedures to Report Suspicious Activity in the GOM. This product is available as either a poster or as a wallet-size card. Our Fisheries Subcommittee is currently engaged with the State of Louisiana on its initiative to enhance their Rigs-to-Reefs Program. As a way to promote a better understanding of each user groups' unique issues, we've provided presentations to the public on offshore oil and gas facility hazards, Coast Guard Safety and Security Zones, and the types of fishing and gear used by fisherman in the offshore environment.

These Subcommittees have several other activities currently underway, including development of an industry guideline on security for offshore oil and gas facilities, and enhanced communications procedures for quick dissemination of changes in national security threat levels.

I provide this information as a way to indicate that in the short time the GSC has existed, we are active in many areas, including maritime security.

In reading the NVICs on Port and Vessel security, it is evident that they are not transferable to fixed and floating platforms, including Mobile Offshore Drilling Units (MODUs) engaged in oil and gas activities in the Gulf. From

conversations with regulators and based on past experience, we are concerned the Coast Guard will attempt to apply to the offshore oil and gas industry, the policies, procedures, or regulations that were developed for vessels and/or ports. For the following reasons, we are against a regulatory approach that does not recognize the unique character of this industry:

1. The Coast Guard's traditional approach concentrates on Captain of the Port zones. Yet OCS oil and gas operations are routinely conducted across the zone boundaries with essential support provided by helicopters. Any attempt to develop or implement security policies or controls should be undertaken on a regional basis and must consider, in an integrated manner, governmental security controls that may be imposed on both the marine and aviation sectors.

2. Unlike most vessels and facilities, which remain in service and must deal with security threats, in response to a serious security threat, the offshore oil and gas industry could simply "shut-in" and thereby minimize any potential environmental impact. Facilities are remote and about 80% are unmanned. On some unmanned facilities, production is controlled elsewhere by the use of System Control and Data Acquisition Systems (SCADA systems). SCADA allow operators remote platform control. These, as well as redundant back-up systems help to prevent or minimizes environmental risk.

3. Unlike onshore facilities that have a "fence line", offshore oil and gas production facilities have unlimited sea, air, and underwater access. There are no physical barriers to prevent access. Requirements to install physical barriers could have detrimental effects on the ability of manned platform personnel to safely evacuate in the event of an incident. Efforts to "harden" offshore facilities against boarding or assault are essentially meaningless unless parallel efforts are made by the Coast Guard and other law enforcement agencies to restrict and control vessel traffic offshore.

4. Also, unlike onshore, there are currently no law enforcement agencies capable of providing a rapid response to security incidents on the Outer Continental Shelf (OCS). Onshore, when one dials 9-1-1, you can be fairly sure that police, fire and/or medical resources will arrive quickly. No such response resources exist in the offshore Gulf of Mexico.

5. The Coast Guard, the Minerals Management Service, and facility operators have and continue to assess the risk of a security incident to offshore oil and gas facilities. With the exception of a few locations, most offshore oil and gas facilities in the Gulf of Mexico are categorized as having a low potential for a security incident resulting in significant loss of life, environmental damage, transportation system disruption, or economic disruption. This is because of remoteness, environmental controls already in place, and lack of potential to have a major impact on people.

6. The offshore oil and gas industry already has several existing emergency plans in place that address concerns associated with maritime security. Companies operating on the GOM OCS have agency approved emergency evacuation plans and oil spill response plans that already address incident response and these plans are exercised yearly.

Also, the American Petroleum Institute (API) has petroleum industry security guidelines in place that can be use as a base for offshore facility security plans. API is currently adding vulnerability and risk assessment guidelines. We propose using these documents to address your December 30, 2002 Federal

Register Notice (Vol. 67, Page 79742) Question Number 36 concerning requirements for fixed and floating platforms and MODU's engaged in drilling.

7. MODUs are not vessels in the usual sense of the word. Unlike the traditional vessels regulated by SOLAS, they carry no cargo or passengers for hire. They generally remain offshore, engaged in oil and gas activities; they pose little or no risk to the general populace, and because they are in contact with a producing reservoir for only a limited time, have limited potential for significant environmental damage. When a MODU does make a rare trip into port (for dry dock or lay-up), they are minimally manned, have minimal oil or hazardous material on board, are under tow and, in many instances, are subject to advance approval of their movement by the Captain of the Port.

Considering the above, the GSC has taken a proactive approach of bringing together the oil and gas industry, regulatory agencies, support industries, and other Gulf of Mexico stakeholders to develop voluntary security guidelines for offshore oil and gas facilities. We have advised Coast Guard headquarters of our efforts and have requested their support and participation. We also request here that you allow the Gulf Safety Committee to continue to be engaged in the dialogue to develop security plans, guidelines and/or procedures for offshore oil and gas operations in the Gulf of Mexico.

In this regard, we would like our letter to Rear Admiral Pluta, dated November 12, 2002, to be made part of the record for this public meeting and provide a copy with this testimony. We await a response to this letter and encourage the Coast Guard to continue their practice of Prevention Through People by partnering with affected industries in the development of non-regulatory cost-effective solutions.

Again, the Gulf Safety Committee would like to thank the Coast Guard for this opportunity to participate in the development of requirements for maritime security.

Attachement to above comments:

November 21, 2002

Commandant (G-M)
United States Coast Guard
2100 2nd Street, S.W.
Washington, D.C. 20593-2200

Attn: RADM P. J. Pluta

Re: Organizations and Associations
Gulf Safety Committee
Security Guidelines - OCS Facilities

Dear RADM Pluta:

The Gulf Safety Committee (GSC) is aware of pressure on the Coast Guard to implement action to increase the security of U.S. assets. As the primary national committee representing offshore Gulf of Mexico (GOM) users, including the oil and gas industry, we acknowledge our responsibility to develop security policy. At the same time, we are concerned about unilateral action by Coast

Guard headquarters personnel to develop security policies and regulations for the GOM oil and gas industry. In keeping with the philosophy of Prevention Through People, we request that your offshore security personnel allow this committee to develop and implement non-regulatory initiatives to meet new security challenges for the GOM OCS oil and gas facilities. As demonstrated below, we believe you will find our recent actions to deal with offshore security threats to be credible, substantial and timely. We encourage your staff to engage with our committee to ensure that adequate voluntary policies and procedures are developed and implemented in a reasonable timeframe. We believe that the GSC is best suited to deal with this issue and that unilateral development of policies and/or regulations for the offshore community would not result in an effective procedure and would not be in keeping with the Coast Guard's history of involving industry. We are already working with local Coast Guard in the Eighth District, MMS and the Navy and we have met with, and invited, CDR Dave Scott of your staff to join our efforts. NOSAC was briefed on the status of security initiatives impacting offshore oil and gas facilities at their November meeting in Houston, TX. We seek your commitment in working together on this important issue.

HISTORY: Enclosure (1) is the mission statement of the GSC, a Regional Marine Transportation System Committee comprised of all offshore GOM waterway users. In accordance with COMDTINST 16010.9; Guidance for CG Coordination of MTS Improvements, the GSC treats the GOM as a large port and brings together all users to address issues of common interest. Although we began meeting as recently as October 10, 2001, we already have an Executive Steering Board of all major industry groups (enclosure (2)) with standing Sub-Committees on Communications, Security and Fisheries. We have a web page on the Coast Guard Harbor Safety Committee web site, which will be used to communicate with our large constituency. In addition to enclosures (1) and (2), that site will contain meeting notices, agendas and minutes, a page to keep personnel informed regarding the work of subcommittees and a location where finished projects will be posted.

Since September 11, 2001, we have taken many actions to improve offshore safety and security. These include, but are not limited to, the following:

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1. We identified weaknesses in the methods by which waterway users are notified of changes in the current maritime security level assignment. We are working with CCGDEIGHT to develop a notification system (enclosure 3).
2. We developed and will soon distribute an informational document to maximize the effective use of eyes and ears on the water. Specifically, we have developed a wall poster and wallet sized card that increases security awareness and advises waterway users of who they should call if they see something that appears "unusual or out of order" (enclosure 4).
3. We developed and are in the process of distributing a Voluntary Communication Protocol that will be used by fishermen (commercial and recreational) and divers approaching an offshore facility. This initiative will help to improve offshore safety by increasing communication and zonal awareness (enclosure 5).

4. We developed and are distributing an informational document to educate waterway users regarding the two main security level systems currently in use (enclosure 6).

5. We developed and provided training to our members regarding the dangers associated with offshore facilities and the rules and regulations dealing with safety and security zones.

6. We are developing voluntary industry guidelines for the offshore oil and gas industry and possibly other GOM user groups. These security guidelines may include suggestions on written security plans for offshore facilities and voluntary steps to respond to increased security threats for each security level. These guidelines will consider existing documents by API, MMS, IMO, IADC, and USCG NVICs addressing security initiatives.

7. Various members of the GSC from the offshore oil industry are working with the Navy to determine the feasibility of a radar-based system for the GOM. In addition to providing improved security for the Continental United States, this system would provide a superior surface picture of vessels in the GOM. If and when developed, this system will be incorporated into our security planning.

Based upon the above, we believe it should be evident that we are identifying and resolving GOM security issues. We are working to develop a voluntary guideline that should serve as the foundation of a security NVIC for the offshore oil and gas industry. We invite participation of your staff to join our effort to develop reasonable, sustainable and effective policies to deal with this important issue.

Sincerely,

Vincent F. Cottone, PE, Chairman
Gulf Safety Committee

NOTE: THIS COPY DOES NOT CONTAIN BELOW ATTACHMENTS

Encl: (1) Gulf Safety Committee Mission Statement
(2) Members of the Executive Steering Board of the Gulf Safety Committee
(3) GSC letter to CCGDEIGHT dated October 24, 2002
(4) Communication Procedures to Report Suspicious Activity or Terrorist operations in the GOM
(5) Voluntary GOM Marine Communications Protocol
(6) Maritime Security Levels Slide

Copy: CCGDEIGHT